

**SUB-LICENCE**

THIS AGREEMENT made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

BETWEEN:

**VALENDAS ENTERPRISES LTD.** (Inc. No. BC0094159), a British Columbia company with an office at 620 – 1632 Dickson Avenue, Kelowna, British Columbia, V1Y 7T2

(the “**Licensee**”)

AND:

Michael Hugh Richardson  
1-360 Spedding Court  
Kelowna, BC V1X 7K9

(the “**Sub-Licensee**”)

**WHEREAS** the Licensee is the developer of a 24 unit bare land strata project on Okanagan Lake in Kelowna, British Columbia known as “**SHEERWATER**” (the “**Development**”), which has a civic address of 180 Clifton Road North, Kelowna, British Columbia, the parent title of which was legally described as:

Parcel Identifier: 013-345-028  
Legal: The Fractional North East 114, Section 6, Township 23, Osoyoos Division Yale District, Except Plan 25017

(the “**Property**”)

**WHEREAS** the Licensee has entered into a Licence of Occupation agreement, being Licence of Occupation No. 342694, with Her Majesty the Queen in Right of the Province of British Columbia as represented by the minister responsible for the *Land Act* (the “**Licence**”) for the construction and maintenance of a dock for moorage purposes on the foreshore covered by water being part of the bed of Okanagan Lake, fronting on the Property and legally known and described as:

All that unsurveyed Crown foreshore being part of the bed of Okanagan Lake and fronting on Section 6, Township 23, Osoyoos Division Yale District, Strata Plan KAS3129, containing 0.424 hectares, more or less,

(the “**Moorage**”)

**WHEREAS** the Sub-Licensee is the owner of Strata Lot #3 in the Development legally described as Parcel Identifier: 026-905-388, Lot 5, Section 6, Township 23, ODYD, Strata Plan KAS3129.

**WHEREAS** the Licensee has agreed to grant to the Sub-Licensee a sub-licence of a portion of the Moorage on the terms and conditions set out in this Sub-Licence for the purpose of allocating to the Sub-Licensee the exclusive use and enjoyment of an individual boat lift and boat slip (together, the “**Boat Slip**”), as assigned under Article 1 below.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the premises and the sum of \$10.00 of lawful money of Canada now paid by the Sub-Licensee to the Licensee, the receipt and sufficiency

of which is hereby acknowledged by the Licensee, and in consideration of the mutual promises and agreements set forth in this Sub-Licence, the parties agree with each other as follows:

**ARTICLE 1**  
**GRANT AND TERM**

1.1 **Grant:** The Licensee hereby sub-licences to the Sub-Licensee for the Term (as defined in Section 1.2) Boat Slip No. 17 (the "**Boat Slip**") as shown outlined in heavy black line on the Marina Plan attached hereto as Schedule "A".

1.2 **Purchase Price and Taxes.** The Purchaser acknowledges and agrees that:

- (a) the purchase price for the Boat Slip is \$ 10.00 (the "**Purchase Price**"), which amount is exclusive of all applicable taxes, including goods and services tax ("**GST**"), transition taxes, and any other value-added, sales or service taxes payable by the Sub-Licensee to the Licensee, as applicable on the date of execution hereof;
- (b) the Purchase Price is subject to GST at the rate of 5% in the amount of \$ 0.50, which shall, together with the Purchase Price, be due and payable by the purchaser upon execution of this agreement.

1.3 **Term:** The term (the "**Term**") of this Sub-Licence shall commence upon receipt of the final payment and upon execution of this agreement and shall terminate on the earlier of:

- (a) the date that the Strata Corporation is dissolved;
- (b) the date that the Strata Corporation files a notice of destruction in prescribed form with the registrar of the appropriate Land Title Office following the destruction or deemed destruction of Strata Plan KAS3129; and
- (c) one day before the expiry of the Licence.

**ARTICLE 2**  
**ASSIGNMENT TO STRATA CORPORATION**

2.1 **Strata Plan:** Upon the Licensee's execution of a Sub-Licence for the last remaining Boat Slip in the Development, the covenants and obligations of the Licensee under the Licence shall automatically become vested in and assigned by the Licensee to Strata Corporation KAS3129 for the Term.

**ARTICLE 3**  
**MAINTENANCE AND ENCUMBRANCES**

3.1 **Responsibility for Repair and Maintenance of Boat Slip:** The Sub-Licensee will assume full responsibility for the control, repair and maintenance of the Boat Slip, as well as any alterations to the Boat Slip, approved in accordance with Section 3.2 herein. The proportionate cost of such control, repair, maintenance and/or alteration of the Boat Slip shall be borne by the Sub-Licensee as of the date of execution of this Agreement.

3.2 **Consent Required for Repairs or Alterations impacting Common Property:** The Sub-Licensee, its successors and permitted assigns, are hereby prohibited from carrying out any such repairs or alterations to the Boat Slip whatsoever, which may impact, alter or affect the common property areas of the Development,

without the prior written consent of the Licensee, in its sole discretion, or the Strata Corporation, as the case may be, following the assignment of the Licence to Strata Corporation pursuant to Section 2.1 above.

#### **ARTICLE 4** **ASSIGNMENT**

4.1 **Assignments:** The Sub-Licensee may assign the whole and not less than the whole of its rights under this Sub-Licence pertaining to the Boat Slip to owners or purchasers of strata lots within Strata Plan KAS3129 or to the Strata Corporation. Such assignments will be for such consideration as the Sub-Licensee may, in its sole discretion, determine, which consideration may be retained by the Sub-Licensee for its own benefit. Any assignment by the Sub-Licensee, or by any subsequent assignee, of this Sub-Licence and its rights under this Sub-Licence pertaining to a particular Boat Slip:

- (a) will be absolute, and the assignee and its guests, lessees, successors and permitted assigns will be entitled to the use and enjoyment of the Boat Slip so assigned for the balance of the Term;
- (b) will be an assignment of rights to which an assignee will only be entitled for so long as such assignee owns a strata lot within Strata Plan KAS3129 unless the assignment is to the Strata Corporation;
- (c) may only be assigned to an owner or purchaser of a strata lot within Strata Plan KAS3129 or to the Strata Corporation; and

4.2 **Automatic Assignment:** If a holder of an interest in a Boat Slip sells all of his or her interest in a strata lot within Strata Plan KAS3129 to which such Boat Slip is appurtenant, and has not been previously assigned, as shown on the register maintained under Section 4.6, without concurrently executing an assignment of such Boat Slip to another owner or purchaser of a strata lot within Strata Plan KAS3129, then the interest of such holder in such Boat Slip will be deemed to have been automatically assigned to and assumed by the purchaser of such strata lot without execution of an assignment of this Sub-Licence with respect to such Boat Slip or delivery of notice of such assignment to the Licensee, Strata Corporation or the Sub-Licensee.

4.3 **Consents:** The consent of the Licensee and/or the Strata Corporation will not be required for any assignment of this Sub-Licence. Neither the Licensee nor the Strata Corporation will interfere with or attempt to interrupt or terminate the rights of an assignee under any such assignment except as expressly agreed by such assignee.

4.4 **Form of Assignments:** Subject to Section 4.2, all assignments of this Sub-Licence shall be substantially in the form attached hereto as Schedule "B". No such assignment shall be registrable by an assignee in any Land Title Office.

4.5 **Release of Assignors:** Upon the assignment (including an automatic assignment pursuant to Section 4.2) of this Sub-Licence pertaining to a particular Boat Slip, the Sub-Licensee and any subsequent assignor of an interest in such Boat Slip will be automatically and absolutely released from any obligations or liabilities under this Sub-Licence pertaining to such Boat Slip.

4.6 **Register of Assignments:** Either the Licensee, or the Strata Corporation (or its assignees), will maintain a register of all Boat Slips and will record on such register each assignment of this Sub-Licence, indicating:

- (a) the date of assignment;

- (b) the name and address of the assignee; and
- (c) the number of the strata lot within Strata Plan KAS3129 owned by the assignee to which such Boat Slip is at the time appurtenant, unless the assignee is the Strata Corporation, in which event the Boat Slip need not be appurtenant to a strata lot.

Upon request by any Licensee or prospective purchaser of a strata lot within Strata Plan KAS3129, either the Licensee or Strata Corporation will provide a certificate, within 7 days of receipt of such request, certifying the name and address of the Sub-Licensee to whom a particular Boat Slip is assigned. The Licensee or Strata Corporation may require a fee of not more than \$10.00, or a greater amount reasonably prescribed by the bylaws of the Strata Corporation, from the person requesting such certificate. Upon the Licensee, or Strata Corporation, becoming aware of an assignment pertaining to a particular boat dock under Sections 4.1 or 4.2, such party responsible for administration of the Licence and assignments of Sub-Licences, will amend the register accordingly.

**ARTICLE 5**  
**MISCELLANEOUS**

5.1 **Definitions:** Any term defined in the recitals to this Sub-Licence will have the same meaning throughout this Sub-Licence.

5.2 **Enurement:** This Sub-Licence shall enure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

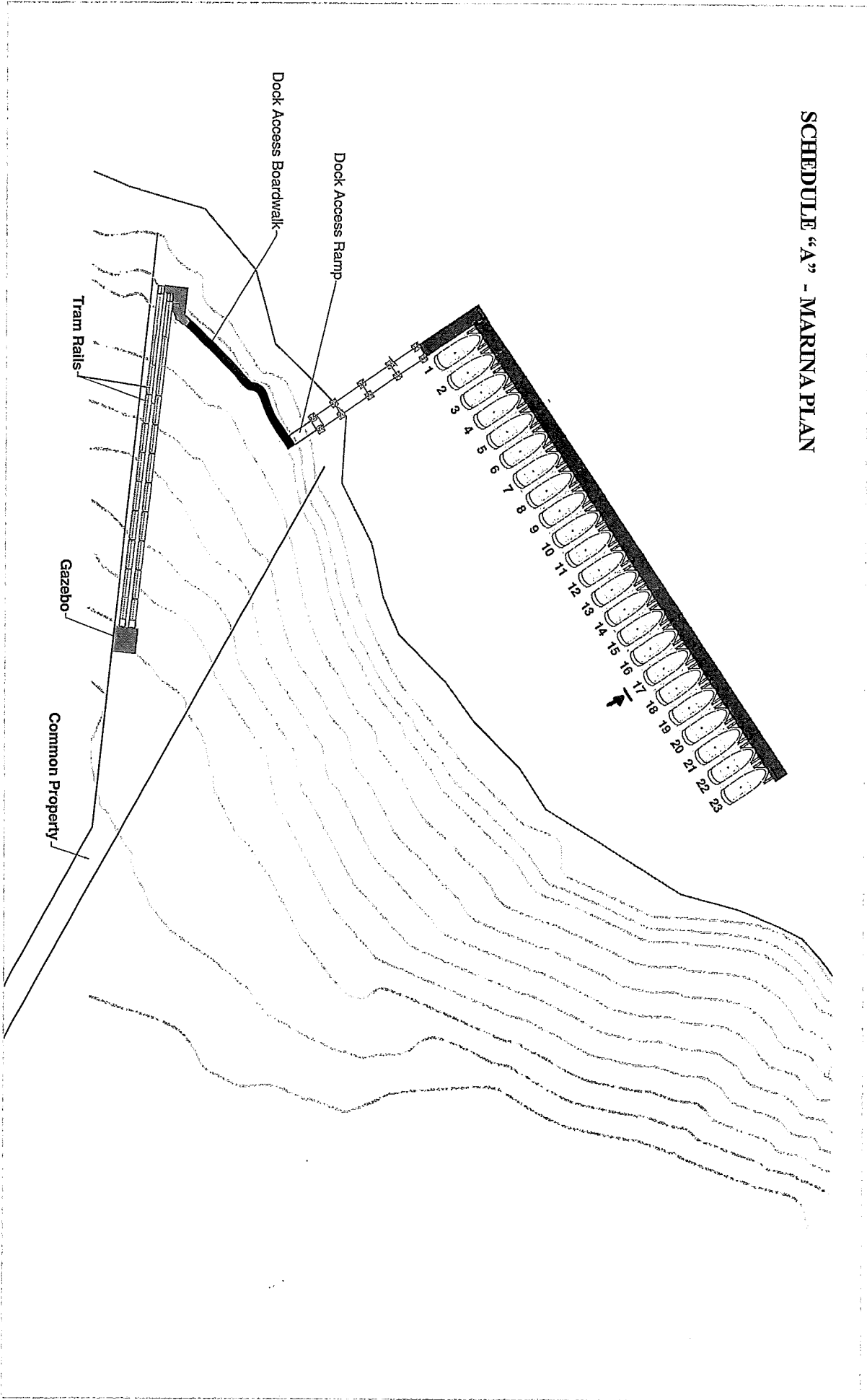
**IN WITNESS WHEREOF** the parties hereto have executed this Assignment effective as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**VALENDAS ENTERPRISES LTD.**

Per: \_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Assignee  
Michael Hugh Richardson

**SCHEDULE "A" - MARINA PLAN**



**SCHEDULE "B"**  
**"SHEERWATER"**  
BOAT SLIP ASSIGNMENT

BETWEEN:

\_\_\_\_\_

(the "Assignor")

AND:

\_\_\_\_\_

(the "Assignee")

Re: Boat Slip No. \_\_\_\_\_ (the "Boat Slip") shown outlined in heavy black outline on the Marina Plan for Sheerwater.

WHEREAS the Assignor is the Sub-Licencee of the Boat Slip and the Assignee is the registered owner or purchaser of Unit \_\_\_\_, Strata Lot \_\_\_\_ (the "**Strata Lot**") in Sheerwater, legally described as Parcel Identifier: \_\_\_\_\_, \_\_\_\_\_ Section 6, Township 23, ODYD, Strata Plan KAS3129.

In consideration of the premises and the sum of \$10.00 of lawful money of Canada now paid by the Assignee to the Assignor, the receipt and sufficiency of which is hereby acknowledged by the Assignor, and in covenants and agreements set forth in this Assignment, the parties agree with each other as follows:

1. Assignment. The Assignor hereby assigns to the Assignee, for the purchase price of \$ \_\_\_\_\_, its interest in the sub-licence (the "**Sub-Licence**") dated \_\_\_\_\_ made between Valendas Enterprises Ltd., as Licencee, and \_\_\_\_\_, as Sub-Licencee, pertaining to the exclusive right to sub-licence the Boat Slip for the balance of the Term (as defined in the Sub-Licence). Subject to Section 4.2 of the Sub-Licence, this Assignment will not be effective until the Assignee has given a copy of this Assignment to the Licencee, Strata Plan No. KAS3129 (the "**Strata Corporation**") with a copy to \_\_\_\_\_.
2. Assignment Contingent Upon Strata Lot Licenceeship. The Assignee, its successors, permitted assigns, heirs, executors or administrators shall only be entitled to the rights with respect to the Boat Slip for as long as the Assignee owns the Strata Lot.
3. Compliance. The Assignee agrees to use the Boat Slip in accordance with the bylaws, rules and regulations of the Strata Corporation, but only to the extent such bylaws, rules and regulations do not materially interfere with the Assignee's rights under this Assignment.
4. Sale or Disposition. The Assignee may only assign its rights under this assignment in accordance with the Sub-Licence.

5. Acknowledgment. The Assignee acknowledges having received a copy of the Sub-Licence and agrees to be fully bound by its terms.
6. Enurement. This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The parties hereto have executed this Assignment effective as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Assignor  
Name:

\_\_\_\_\_  
Assignee  
Name: